

The

in 2 minutes

Supporting the regions. Strengthening Switzerland

The New Regional Policy supports mountain and rural areas and border regions with their efforts to adapt to the requirements of the global economy.

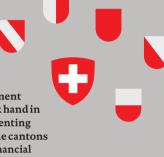
Entrepreneurship Innovation Value creation	Competitiveness of the regions	Jobs	Regional disparities
Promote	Improve	Create	Reduce



The Federal Government supports the initial phase of a project. The regions and project sponsors are then responsible for ensuring the project's long-term success.

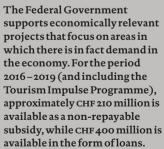


The Federal Government and the cantons work hand in glove. When implementing their programmes, the cantons guarantee a level of financial participation equal to that of the Federal Government.





The federal offices responsible for regional development work closely together. This ensures that the various measures taken by the individual federal agencies complement rather than interfere with one another.





The regions focus on their existing economic strengths. Not all regions develop at the same pace in all economic sectors.

During the first programme period (2008 to 2015), the Federal Government and the cantons funded more than 1800 projects within the framework of the New Regional Policy.





Rural regions need strong centres. The New Regional Policy enables the type of cooperation and partnerships needed for this.



Alook across the fence: Cross-border projects can also be initiated.



The Federal Government supports regional stakeholders with an extensive range of continuing education and training programmes and the provision of relevant information.



The 2016-2023 programme phase focuses on support for projects in the industrial and tourism sectors. Other issues are also addressed.

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Cover: Dr. Marianne Janik (right), CEO of Microsoft Switzerland, and Martina Hänzi, Managing Director of Engadin Booking, Scuol



Editorial

Federal Councillor Johann N. Schneider-Ammann, Head of the Federal Department of Economic Affairs, Education and Research (EAER)

What makes Switzerland special? Prosperous cities like Geneva, Basel or Zurich? Certainly not just that: Switzerland is also a country of imaginative people and dynamic companies – not to mention a variety of landscapes and habitats. Switzerland is varied, innovative, surprising and perfectly connected to the rest of the world. Basically, it's a country that offers a high-quality living and working environment made possible by the resourcefulness of hard-working Swiss people who strive to improve and develop their regions and make them more competitive and sustainable. Such individuals strengthen the resilience of their regions against external economic shocks and are unrelenting in their efforts to ensure that our country continues to occupy a leading position in the international competitive field. The New Regional Policy (NRP) of the Federal Government offers assistance for those endeavours.

At the same time, conditions throughout Switzerland vary from region to region, which is why the NRP focuses primarily on mountain and other rural areas, as well as border regions. The NRP has intentionally been designed to be flexible. The Federal Government and the cantons promote the implementation of ideas and projects for strengthening regional economies in line with the needs of each region. There is no lack of ideas here either – and all of them are based on the same philosophy, namely that a region worth living in must not only be physically attractive but also economically dynamic. The NRP is an indispensable instrument that the Federal Government can utilise to promote such dynamic development.

A big thanks to everyone who is working to strengthen our regions and thus our country as well. Good luck and much success!



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Overview

Economic boost for the regions

2

With the New Regional Policy, the Federal Government and the cantons are supporting mountain and other rural areas and border regions with their efforts to develop their regional economies. The NRP entered its second eight-year funding period in 2016. The focus during this period is on supporting regional innovation and the structural transformation of the tourism industry.

The regions are facing increasing challenges outside major cities

Mountain regions and other rural areas are home to outstanding industrial companies and commercial enterprises, as well as excellent tourist destinations and tourism companies. At the same time, these regions have faced an increasingly difficult economic environment over the last few years, whereby the economic difficulties have revealed various weaknesses:

- a lower level of technological innovation (in terms of products, services, production processes) than is the case in the major economic centres,
- numerous traditional businesses whose existence is in jeopardy over the medium term,
- ➤ in many cases: problems accessing the knowledge gained at universities and research institutes.

The NRP also focuses on border regions. These regions benefit from the labour, supplier and sales markets across their borders, but they also have to deal with competition from their cross-border counterparts, as well as additional administrative requirements. This leads to shopping tourism and the transfer of production capacities.

Digitisation, the strong franc, climate change and the Second Home Initiative

Digitisation is influencing the structural transformation and economic growth in Switzerland in a big way. Individual companies are able to benefit from the associated efficiency gains and cost reductions, and both product quality and customer value can be expected to increase. However, the need for investment should not be underestimated. The world of work will also change dramatically. It can be assumed that the new technologies will initially establish themselves in the major economic centres and that the regions targeted by the NRP will therefore fall behind.

The discontinuation of the exchange rate floor for the euro has further exacerbated Switzerland's position as an "island of high prices". Along with industrial and commercial enterprises, this has also affected the tourism sector in particular. Numerous transport systems and hotels are not sufficiently profitable, which is why the funds needed to make sustainable upgrades are often unavailable. Climate change is also becoming increasingly noticeable, and this has led to costly follow-up investments, among other things for artificial snow-making systems. Finally, the implementation of the Second Home Initiative must be effectively managed economically.

The three NRP objectives

Promotion of innovation

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This objective is the main pillar of the NRP: It involves the provision of direct financial assistance in order to enable the implementation of suitable projects and programmes. This also includes funding for Switzerland's participation in cross-border EU programmes, in particular Interreg. The NRP also provides funding for inter-cantonal Regional Innovation Systems (RIS) that support the establishment of networks for businesses, educational institutions, research institutes and the public sector. The NRP also offers tax breaks to industrial companies and service providers whose business is closely linked to industrial production. This helps ensure that the Federal Government can support the creation of new types of jobs in innovative fields in structurally weak regional centres.

Creation of synergies

Accompanying objective: This ensures that the Federal Government can more closely align regional policy with other federal policies related to spatial development, and thus enable better cooperation in this regard.



Sharing of knowledge

The "regiosuisse" network unit for regional development operates a knowledge platform that supports the individuals responsible for implementing the NRP in the cantons and regions.



Five support objectives – two thematic areas

	Promotion of innovation and the transfer of knowledge	Implementation of regional training and qualification measures	Further develop- ment of cross- company networks and partnerships	Closure and extension of value chains	Safeguarding of infrastructure/ creation of new infrastructure
Industry	10 AGIRE 12 DEPsys		(B) ALPlastics		
Tourism		31 Employee Sharing	20 Gästival 30 Textilland Ostschweiz	26 Mia Engiadina	Absinthe Museum Grimentz-Zinal

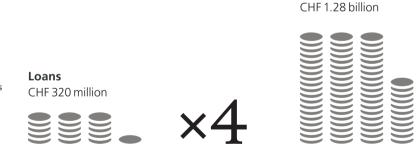
The NRP works!

Substantial leverage effect

Between 2008 and 2015, the Federal Government and the cantons funded more than 1800 NRP projects with non-repayable subsidies and loans. The Federal Government provided approximately CHF 250 million in subsidies and just under CHF 320 million as interest-free or low-interest loans for projects and accompanying measures.

Cantons and other sources Federal Government CHF 750 million **Subsidies** CHF 250 million

In the case of the subsidies, each Swiss franc provided by the Federal Government is matched by three francs from the cantons and other sources; the ratio in the case of loans is1:4.



Greater competitiveness

A detailed analysis of the economic effects of exemplary projects showed a substantial increase in jobs resulting from the NRP in some cases, whereby this job growth was significant in the regional context. The external evaluation of the multi-year programme for 2008 – 2015 was also positive overall. The benefits of the NRP and its instruments were acknowledged.

Economic effects and more

It is not easy to reliably measure employment and value creation effects at the programme level because the impact of the projects is indirect. In addition, numerous external factors that cannot be influenced (e.g. the strength of the franc) also make it difficult to identify the exact causes of specific effects. What remains undisputed is the fact that NRP projects create new types of partnerships, prompt the establishment of innovative business models and can trigger a spirit of optimism in the regions and beyond.







26 Mia Engiadina

Example: Western Switzerland

A study conducted with SMEs in cantons in Western Switzerland on inter-cantonal innovation-support programmes revealed 70% satisfaction with services for "Coaching and Technology Consulting".

Example: Bern

Based on the informa-

tion provided by project

of Bern expects to see the

following effects for the

135 projects safeguard

1400 jobs and thus

a potential revenue increase of CHF 152 mil-

period 2012-15:

lion per year.

organisers, the Canton

The focus on effects is being further strengthened during the programme period 2016-2019.

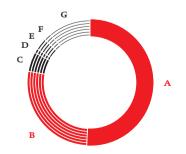
The Federal Government sets the overriding goals at the national level as regards the desired effects, and the cantons use these goals to derive impact models for specific programmes. The project organisers then explain how their projects can help achieve these goals.

Distribution of funds by economic sector in the period 2008-2015

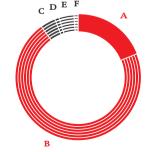
Loans



- **Tourism**
- Education/health
- Agriculture
- Energy
- Naturalresources
- Other Interreg



Subsidies



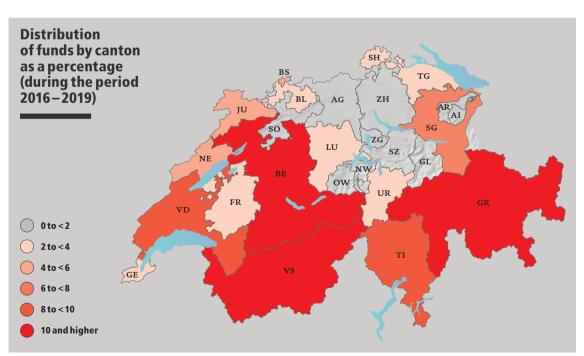
The Federal Government and the cantons

The cantons give the NRP its particular character

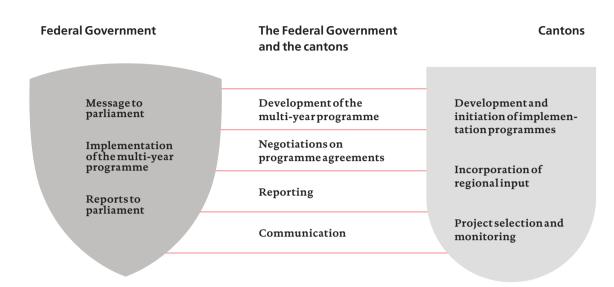
The Federal Government and the cantons work together to shape and implement the NRP. The Federal Government defines the political framework and the general direction. The cantons define the main areas of focus for their programmes and select the projects to be funded. The NRP programmes are financed jointly.

Parliament sets the legal framework, approves funding and defines the focus of the content of the multi-year programme, which is implemented by the Federal Government. The cantons define the main areas to be funded and decide which projects will be supported. They also decide on the extent to which funds from the Federal Government and the canton in question are to be used within the given financial framework. The cantons also serve as the contact point for all questions related to project funding. Most cantons work closely with the regions on all of the above-mentioned aspects. The Federal Government and the cantons provide financing jointly, whereby the cantons provide at least the same level of financing for their programmes as the Federal Government contributes. All of this ensures that those projects that meet actual needs are implemented at the cantonal level.





Joint tasks for the Federal Government/cantons



Projects are funded on the basis of the cantons' implementation programmes, each of which includes information on the main areas of focus for NRP funding over a four-year period. The programmes are based on cantonal economic strategies and take into account the general framework defined by the Federal Government. In some cases, several cantons submit an inter-cantonal or cross-border implementation programme – for example, to support innovation.

The cantons and the Federal Government then use the implementation programmes as a basis for specific goal agreements. Impact models are utilised to manage and evaluate the associated programmes and projects. These models describe the connections between goals, projects and project effects.

Exchange between the Federal Government and the cantons

The cantons submit annual reports to the Federal Government on projects, the manner in which funds are being utilised and the extent to which goals have been achieved. The cantons then produce a comprehensive final report at the end of the four-year period.

This information is used by the Federal Government to manage and evaluate the NRP as a whole, monitor its impact, generate value from its results and make adjustments where needed. The knowledge gained through the implementation measures is used directly by the Federal Government and the cantons and is also incorporated into the products from the "regiosuisse" network.

"Impact models describe the connections between goals and actual results."

Christoph Brutschin, President of the Conference of Cantonal Directors of Economic Affairs (VDK)

36 Sharing of knowledge

The NRP focuses on innovative projects

New processes, initiatives, programmes and infrastructure projects receive direct funding. Innovation is a key factor of competitiveness, which is why knowledge transfer and support for innovation are given high priority. The focus here is on industry – particularly the Regional Innovation Systems (RIS) – and tourism.

The NRP addresses five support objectives:

- ➤ Promotion of innovation and the transfer of knowledge
- Implementation of regional training and qualification measures
- Further development of cross-company networks and partnerships
- Closure and extension of value chains
- ➤ Safeguarding of infrastructure / creation of new infrastructure

The projects for industry and tourism presented here as examples show how the support objectives, which apply equally to all thematic areas, are actually implemented. Naturally, several different support objectives can also be applied to a single project.

Innovation and the transfer of knowledge

SMEs in metropolitan areas benefit from their proximity to upstream and downstream businesses, a diverse labour and sales market and high-quality educational and research institutions.

SMEs in rural regions are often disadvantaged in this regard. The NRP strengthens regional value creation primarily by ensuring the transfer of knowledge and the promotion of innovation. For example, the "Agire" innovation agency in Ticino presents innovation opportunities to SMEs. It also provides them with contacts and assistance with specific projects. Coaching for start-ups: DEPsys shows how support programmes can enable a young company to network quickly and in a targeted manner, establish new contacts, create strategic foundations and thus obtain venture capital more easily.

10 AGIRE

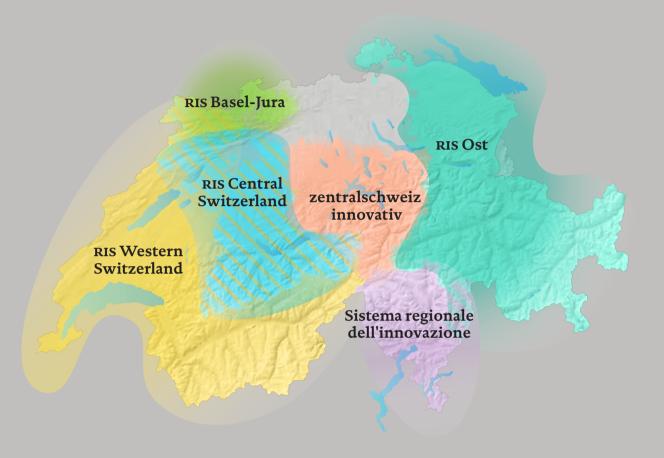


Interreg/ETC

European Territorial Cooperation (ETC) is a component of EU regional policy. The fifth ETC period started in 2014 and will end in 2020. The focus of funding is defined in the European programmes, whose structure in Switzerland is also determined by the regional Interreg coordinators. The programmes support cross-border projects, which may also receive funding via the NRP if they can improve the competitiveness of the regions in question.



Improving regional economic performance:



Regional Innovation Systems (RIS) relate to functional (generally inter-cantonal and in some cases cross-border) economic zones in which the key drivers of innovation cooperate with one another in networks. Project sponsors develop regional innovation strategies and customised support packages for SMEs and align these with other programmes such as the CTI (from 2018: Innosuisse) knowledge and technology transfer programme or programmes that promote exports.

Well over 100 cantonal, regional and national instruments for promoting innovation are currently

being utilised in Switzerland. It is difficult for startups and SMEs to maintain an overview of these instruments and determine which types of funding are available. The Regional Innovation Systems consolidate all innovation-support activities and also connect SMEs with other sources of funding and assistance if necessary ("no wrong door"). This critical mass enables the RIS organisations to increase the quality, professionalism and visibility of the programmes. It also ensures more efficient use of funds.

AGIRE Foundation

Strengthening the economy in the southern regions

- Ticino (Manno, Chiasso)
- Since 2011
- S NRP contribution (Federal Government and canton): CHF 5.5 million

The AGIRE Foundation coordinates the Regional Innovation System (RIS) for Southern Switzerland within the framework of a cantonal mandate. This RIS is one of six such organisations in Switzerland. AGIRE is headquartered in the Tecnopolo Ticino technology park in Manno. It supports SMEs and young companies in Ticino and the Italianspeaking parts of Grisons. AGIRE also conducts partnerships with research institutes and technology parks in border regions in Italy. The foundation is responsible for managing and expanding the Tecnopolo Ticino technology park. It provides support to regional companies in the area of knowledge and technology transfer and it assists such companies in their search for partners and employees. In addition, the foundation helps companies protect their intellectual property and gain access to new technologies. Among



other things, the foundation's technology consultants have helped establish networks between companies and research centres, whereby this resulted in the creation of 35 innovation projects at the national and European level in 2016. These projects led to investments of several million francs for the development of innovative products in the region and also served to strengthen ties to RIS partners in Switzerland and abroad. In addition, the foundation's innovation portal (www.ti.ch/sri) serves as a regional gateway that offers companies a complete overview of innovation-funding programmes at all levels. "Anyone involved with innovation in Southern Switzerland, whether as an SME or a start-up, knows that AGIRE is a reliable partner," says Stefano Rizzi, Director of the Division for Economic Affairs of Ticino and Vice President of AGIRE. One of the key factors of success here relates to the fact that all relevant stakeholders were involved in the creation of the RIS

www.agire.ch

66 We've accomplished a great deal over the last few years in terms of providing support to SMSs and start-ups in Southern Switzerland. As I look towards the future, I hope that all stakeholders will develop a common understanding of how the system for supporting innovation works so that we can all pursue the same goals over the long term. The Tecnopolo Ticino technology park offers an outstanding example of this approach. 29

Giambattista Ravano. President of the AGIRE Foundation

Results

- 49 start-ups in two technology parks
- ➤ Initiation of national and international research programmes for 35 companies in 2016

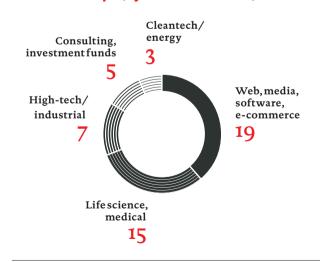
Exemplary

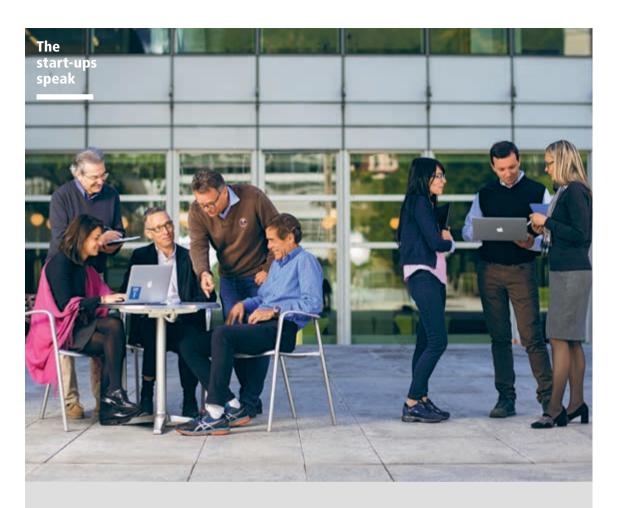
Exemplary preliminary process and establishment of a RIS. Effective incorporation of universities.

AGIRE Foundation

The AGIRE Foundation creates networks between business, academic and institutional stakeholders and in this manner strengthens an innovative ecosystem both within Ticino and outside the canton. It coordinates intercantonal and cross-border programmes with the canton of Grisons and regions in northern Italy and also operates the Tecnopolo Ticino technology park, which offers coaching services and office space to start-ups. Along with the location in Manno, AGIRE also operates a Tecnopolo in Chiasso for digital start-ups. In addition, AGIRE is now constructing a medical technology facility in Lugano and plans to build new office space for biomedical start-ups in Bellinzona.

The 49 start-ups (by economic sector)





66 The Tecnopolo is an ideal location for us. The networks with the University and the University of Applied Sciences are important to us, as is the exchange of ideas with other companies. As a technology company, we would like to be able to gain more direct access to large tech corporations such as Swisscom. 39

Pietro Casati, CEO DAC System – Monitoring Systems "This doesn't happen in most places: I bumped into an investor just ten metres outside my office and we started talking. Today, we are a member of NetComm Suisse. The Tecnopolo is a great place to meet all kinds of people. It's just a shame that they don't have more networking events here."

Didier Colot, Head of Sales Central Europe, Ubiquity Int. SA – Global Messaging Platform "Tecnopolo is a location that meets the needs of my company. The infrastructure, office space and surrounding area all leave nothing to be desired. I consider myself lucky to be able to work together with other young and innovative companies. 99

Michela Sormani, founder of Enermi – Solutions for a Sustainable Future

DEPsys

From Puidoux to the world market

- Puidoux (VD)
- (P) 2013-2015
- S Coaching Platinn 80 h

Smart, optimistic and full of vigour – this is what comes to mind when one thinks about young entrepreneurs. Michael de Vivo, Guillaume Besson and Joël Jaton studied together at the School of Engineering and Management Vaud and then launched DEPsys AG at the Y-Parc technology park. The start-up developed the GridEye device for managing electricity networks. GridEye is a nondescript box that is installed in power grids (e.g. in transformer units), where it detects voltage fluctuations in real-time and then compensates for them. It thus enables power companies to manage their electricity supply quickly, continuously and efficiently. The increase in electricity generated from renewable sources such as the sun and wind is making such products crucial for ensuring a stable power grid. DEPsys is considered to be a great source of hope for the future. The company succeeded in raising CHF 3 million in venture



capital from three specialised investment funds in 2015 and 2016. In 2016, DEPsys moved to Puidoux (above the Lavaux), which has relatively low rents and good transport networks. In April 2017, DEPSys entered a whole new league when the SME became one of 12 companies worldwide selected for the Free Electrons programme – a start-up accelerator that brings together young companies and market leaders in the power grid sector and facilitates the establishment of partnerships. Plans now call for GridEye to be offered worldwide – although the company's founders will remain firmly anchored in Vaud.





Results

- ➤ 13 jobs, mainly for engineers and IT specialists, as well as for marketing and administration employees
- ➤ CHF3 million in investment capital
- ➤ 11 customers in Western and German-speaking Switzerland, in some cases with multi-stage pilot projects and long-term investments

Exemplary

The young high-tech SME is strengthening a region outside the Lausanne conurbation.

Interview

Michael De Vivo, CEO DEPsys AG

What benefits have support programmes offered you?

(w) Alliance, Innovaud and Platinn helped us gradually become less dependent on funding instruments. That was one reason for us to leave the ecosystem of the start-up environment. We want to become independent quickly so that our customers view us as a "normal" company. The network is important: Thanks to the consultants, we were able to acquire our first customers and find someone to serve as Chairman of the Board.

Is Vaud a good location for selling your products in northern Europe?

Definitely – and that's why we're focusing on the German and northern European markets. At the same time, we can launch and test our product with companies here in Vaud. We're confident that we'll be able to expand internationally because Swiss high-tech energy-sector products continue to enjoy a great reputation around the world.

What are the biggest challenges that DEPsys faces?

Recruiting! The jump from six to 13 employees alone quickly necessitated a solid organisational structure. We need people with a high degree of technical expertise. However, the key aspect is always whether an individual fits in with our team. It's especially difficult to find good sales people who possess the technical knowledge needed for the energy market.

GridEyethe intelligent grid monitor

What is going on in the power grid? Are voltage fluctuations occurring? The GridEye box 1 is able to analyse and report such fluctuations to energy companies in real-time - and make adjustments if necessary 2. Managing a grid becomes increasingly complicated when many different producers feed in electricity from solar power, for example 3, and major consumers utilise power irregularly. GridEye is a novel solution in that each unit not only sends data to a control centre but also communicates with other GridEve units in the grid. The system software enables more efficient and flexible management of smart grids.



Coaching leads to independence!

Alliance and Platinn

The NRP is supporting two coaching platforms in Western Switzerland: "Alliance" assists start-ups with their search for partners at universities. For example, it helped DEPsys draw up a dossier for support from the Commission for Technology and Innovation (CTI/Innosuisse). The dossier made it possible for the School of Engineering

and Management Vaud to make laboratory space and time available to DEPsys for one year. The "Platinn" innovation platform offers specialised consulting services. Platinn enabled DEPsys to be coached by an experienced entrepreneur who helped the company develop its commercial plan and launch an initial round of financing.

advice from experts in order to ensure they utilise the right instruments in each phase of their development. As the example of DEPsys shows, good contact with other companies is usually a decisive factor here. 99

Patrick Barbey, Director of the Innovaud innovation-promotion agency (Antenna canton VD Platinn)

ALPlastics ETC project

Cooperation in face of competition



2011-2013

S NRP contribution (Federal Government and canton): CHF 160 000

The plastics industry cannot stay competitive on the world market without continual innovation. A single company, and even an entire region, do not have the resources needed for this. This is why the ALPlastics project created a "meta cluster" to link the Swiss Plastics Cluster with five partners from the Alpine regions in Italy, France, Germany and Austria. ALPlastics developed its own software for benchmarking the productivity of the plastics industry. The comparative data thus obtained, and the establishment of information platforms, make it possible for companies and cluster management teams to identify potential for improvement and thus compete more effectively on global markets. The cross-border contact network created by this centre of competence facilitates the exchange of experiences and the implementation of further innovative ideas.

www.alplastics.net



"Our company had to take on the challenge of comparing itself with other companies in order to become more productive. We are very proud to have participated in the application of the OPEX comparative model for the plastics industry."

Yvan Bourqui, Head of Global Engineering, Johnson Electric

International conference:
"Clusters as Drivers of Competitiveness: Policy and Management
Issues", 26 March 2013 in Freiburg.



Results

- ➤ Benchmarking of the productivity of 60 member companies with the help of the self-developed InnoProd software
- ➤ Summer academy for students of the plastics sciences
- ➤ Information and contact platform for the meta-cluster (with 11 clusters and 1800 companies) serves as the basis for further joint projects

Exemplary

Cooperation between competitors.

White paper

«Industrial cluster excellence: Whitepaper on preconditions, policies and best practices»



Strengthening the Swiss tourism industry

One of the main objectives of the NRP's multi-year support programme is to effectively manage the structural transformation in the tourism industry and make tourism destinations more competitive. In order to promote the implementation of adequate initiatives, the tourism industry is receiving additional support in the period 2016–2019 in the form of a specific impulse programme. Among other things, this programme will help modernise the hotel industry, improve quality and product development and encourage the establishment of new partnerships.

Regional training and qualification measures

The NRP supports the development of training and continuing education programmes, as well as initiatives that support skilled employees and programmes that assist entrepreneurs. One example here is the Employee Sharing project in the hotel industry.

Cross-company networks and partnerships

The NRP also supports cooperative projects and the establishment of platforms for cross-company coordination. Gästival and Textilland Ostschweiz (Textile Country: Eastern Switzerland) are two exemplary projects in this area.

20 Gästival

30 Textilland Ostschweiz

31 Employee Sharing

Closure and extension of value chains

The NRP helps improve regional value creation systems and establish new ones in order to generate additional income opportunities.

Digitisation and the creation of new tourism destinations offer new opportunities, as is demonstrated by the mia Engiadina project.

26 Mia Engiadina

Safeguarding of infrastructure/ creation of new infrastructure

Support for infrastructure focuses on projects that strengthen regional economies – for example the establishment of new wellness facilities and tourist transportation systems. Examples here include the transport link between the Grimentz and Zinal ski areas and the Absinthe Museum, both of which send a strong message about the economy in their respective regions.

- 24 Absinthe Museum
- 25 Grimentz-Zinal

Gästivalin Central Switzerland

An anniversary with a major impact

LU, UR, SZ, OW, NW

2012-2015

S NRP contribution (Federal Government and canton): CHF 3 million Budget: CHF 8.1 million

Five tourism organisations, five cantons and private service companies succeeded in implementing a major project in Central Switzerland for the first time ever: "Gästival" was held in 2015 to celebrate 200 years of tourism and hospitality in Central Switzerland. Gästival was made possible by a joint sponsorship association created by the tourism organisations in the cantons of Lucerne, Uri, Schwyz, Obwalden and Nidwalden. A broad range of Gästival activities and projects focused on hospitality. The iconic centrepiece of the anniversary celebration was the Seerose (water lily), a floating platform on Lake Lucerne. The platform dropped anchor in each of the five cantons for several weeks at a time and served as a meeting place for the local population, as well as a stage for cultural events. Some 67 000 people visited the Seerose during the



summer months. The anniversary was also celebrated throughout Central Switzerland with numerous other key projects, including the Waldstätterweg hiking trail, the Friendly Hosts project and a broad-based Gästival participation campaign that featured 100 projects. Gästival laid the foundation for more extensive marketing of Central Switzerland as a tourism destination in future. The event also strengthened cooperation between the cantonal tourism organisations. Two new inter-cantonal projects have already been launched. One involves the creation of a long-term development platform for the Lucerne-Lake Lucerne region (development as a tourism destination), while the other will lead to the development of a new guest portal for the region (marketing of tourist attractions and packages).

www.gaestival.ch

The Gästival

projects

"Extremely time-consuming information and lobbying work was required at all levels in order to ensure all regions were incorporated into the project in the best possible way. ">>

Jost Huwyler, Co-Project Director for Gästival

A Friendly Hosts

Friendly Hosts volunteers work in the summer months. They help visitors from all over the world and offer their services in more than ten languages.







It is very pleasing to see how most of the Gästival initiatives are being continued: The Seerose was handed over to the MuTh association in Vitznau, where it is part of a National Centre for Youth, Music and Theatre. A sponsor organisation now maintains the Waldstätterweg hiking trail. Friendly Hosts services are now offered throughout Central Switzerland. The Lucerne University of Applied Sciences and Arts

is continuing the study on

hospitality in the region.

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Interview

Jost Huwyler, Co-Project Director for Gästival

What were the biggest challenges you faced when developing Gästival?

(m) The Gästival perimeter that extended across five cantons posed a major challenge, as we had to incorporate all regions into the project in the best possible way. This necessitated extensive and extremely time-consuming information and lobbying work at all levels (cantonal governments, local governments, and tourism, sport, cultural and business associations). We can say with satisfaction that all of this effort paid off in many ways – for example with more than 100 Gästival participation projects spread out across Central Switzerland. The Seerose attracted a large number of visitors and other projects such as the Waldstätterweg hiking trail. Tell-Pass Plus etc. attracted the type of attention we were aiming for. In an evolving project like Gästival, in which it is not clear at the beginning exactly in which direction it will develop or what it will ultimately focus on, it is important that all partners remain informed more or less in real-time of the relevant steps to be taken. In particular, the responsible authorities must be provided with compact, transparent and understandable information at an early stage when requests for financing are submitted to the government. Finally, obtaining sponsorship money from the private sector now poses an ever-greater challenge due to the difficult economic situation.

You were able to increase the original budget five-fold. What was the secret to your success here?

(JH) The initial situation with Gästival included a Federal Government NRP contribution of around CHF 1.4 million. It was assumed here that contributions from the cantons would be supplemented by at least an additional CHF 500 000 from the private sector. Thanks to our convincing ideas and successful sponsor acquisitions, we were able to raise an additional CHF 5 million from the private sector and increase the overall budget to CHF 8.1 million. You report that Gästival generated a total value of approximately CHF16 million. How does that amount break down? were placed with companies in

(H) Gästival generated orders with a total value of around CHF 8 million, and nearly all of these orders Central Switzerland. Gästival also generated revenue of approximately CHF 1.24 million from catering on the Seerose, while in the transport sector the Tell-Pass led to CHF 1 million in revenue. The Raiffeisen campaign led to CHF 5.5 million in revenue through 140 000 bookings for hotels, cableways, boats and local public transport services. Realistically speaking, the final total will be significantly higher due to various indirect factors, and the projects will continue to generate value in future as well.

Results

- ➤ Integration of the history of tourism in an app, a website and the cultural landscape guide for the new Waldstätterweg hiking trail
- ➤ Expansion of the "Tell-Pass"
- ➤ Friendly Hosts services extended to cover the entire Central Switzerland region
- ➤ Improvements to hospitality achieved through employee training programmes and impulse programmes for local populations on the topic of hospitality

Exemplary

Broad-based initiative with the potential to generate sustainable dynamic development.

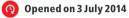
Record numbers for Lake Lucerne

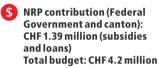
The Lake Lucerne Navigation Company recorded the best result in its history in 2015. Revenue rose significantly due to higher passenger numbers brought about by Gästival and favourable weather.

Absinthe Museum

Pretty house for the green fairy

Môtiers/Val-de-Travers





Absinthe isn't just any wormwood schnapps. The green liquor with wormwood, anise, hyssop and melissa turns mysteriously milky when mixed with water. Up until 2005, absinthe was actually banned by law; after it was legalised, Val-de-Travers re-launched its mythical "green fairy" beverage, among other ways by establishing the Maison de l'Absinthe as an attractive meeting place. The Absinthe Museum's collection is pleasantly designed and relates in an entertaining manner how wormwood and absinthe were used and then demonised throughout history – and ultimately re-discovered.

The local government renovated the house in Môtiers, which was built in 1750, and then presented it to the museum foundation to use for 20 years for free. The Absinthe Museum has



revitalised the tourism industry by staging events with culinary and cultural delights. For example, the museum staged an "Absinthe Week" this past March in which films, tasting sessions, a theatre performance and other events cele brated the green fairy in all of its facets." Using a little tongue-incheek irony, we staged the firstever 'Fashion Week' for absinthe", says the Director of the Absinthe Museum, Yann Klauser. Absinthe Week attracted new visitors to Val-de-Travers and will therefore be repeated in future.

www.maison-absinthe.ch

"The Absinthe Museum is a wonderful showcase venue that we as absinthe producers could not afford to operate on our own. It encourages us to continue to preserve the traditional method for making absinthe."

Yves Kübler, the biggest distiller of absinthe in Val-de-Travers

Results

- ➤ A total of 12 000 visitors per year (as opposed to the 10 000 planned in), plus extensive media coverage.
- ➤ Motivating factor: Absinthe production is now increasing by 3%-4% per year. Young distillers are continuing the tradition.

Exemplary

The project is the result of cooperation between stakeholders. It increases the value of a regional product and makes it better known. Financing from the NRP led to innovative exploitation of other income sources – for example through the integration of the post office.

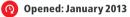




Grimentz-Zinal

Advancing to the big leagues for ski resorts





NRP contribution (Federal Government and canton): CHF 8 million (Ioan) Total budget: CHF 28 million

Pressure is also rising in tourist areas with guaranteed snow to offer visitors more, while also ensuring efficient business operations. In 2012, for example, a merger was completed between the Grimentz and Zinal cableway companies in Val d'Anniviers in Valais. The companies linked their ski areas across the ridge in order to reduce costs and exploit synergies. This led to the creation of the third-longest cable car system in Switzerland (3.5 kilometres). Two cabins that can accommodate 125 passengers now connect the village of Grimentz with the Zinal-Sorebois mountain station. The merger and the new cable car route have put Val d'Anniviers in the major leagues of Swiss ski areas. The route will also generate momentum for the summer tourism business, and its operators hope that the CHF 28-million project will result in additional revenue and greater competitiveness in the region.

www.grimentz-zinal.ch



"The cable car connection safeguards the ski area for the long term and will attract more visitors to Grimentz and Zinal. 29

Franck Tissier, Hotel Alpina, Grimentz

The cable car route provides access to 100 kilometres of pistes between the village of Grimentz and the Zinal-Sorebois mountain station across the Sorebois ridge

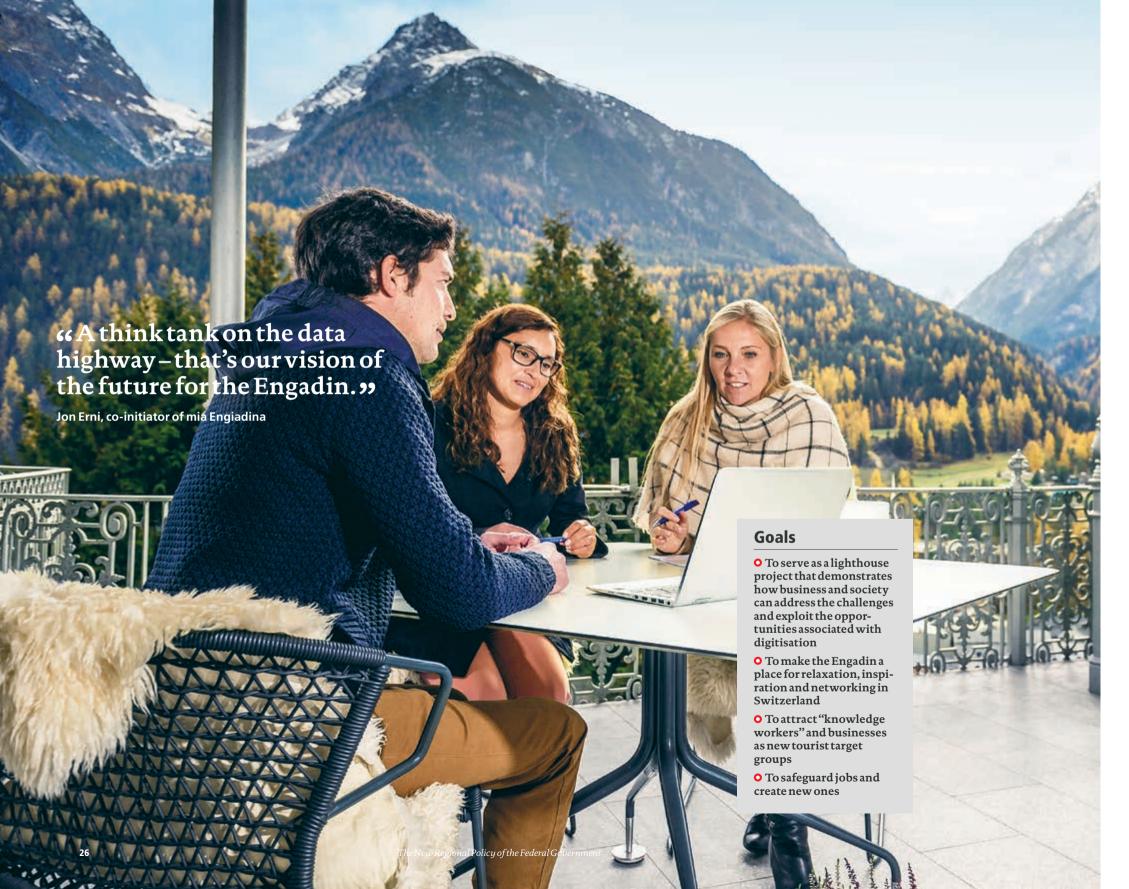
Results

- ➤ The revenue generated by the cable car transport system increased from CHF10 million to CHF11 million between 2012/13 and 2015/16, with visitor numbers remaining stable during this period. Earnings rose from CHF3.7 million to CHF4.4 million.
- ➤ Val d'Anniviers ranks among the top ten ski areas in many ratings, including those for the best Swiss and most beautiful European ski areas.

Exemplary

The merger of the two operating companies is fully in line with the cableway-support policy defined by the Cantonal Council.





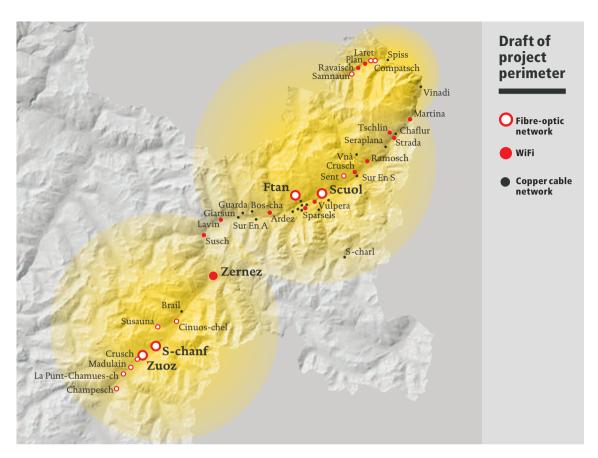
Mia Engiadina

Ready for the digital age

- Engadin (GR)
- 2015 approx. 2030
- S NRP contribution (Federal Government and canton): CHF 365 000 Total budget: CHF 1.14 million

The Engadin faces major challenges due to its position as a peripheral region dependent on tourism and the energy sector. The initiators of the "mia Engiadina" project believe the valley's distance to urban centres, and the pleasant contrast it offers to them, translate into a major development opportunity. The Engadin wants to offer visitors from Switzerland and abroad relaxation, inspiration and networking. It also seeks to exploit the benefits of digitisation in order to transform itself into a top-quality location for living and working.

The planned construction of a new segment of high-voltage lines through the Unterengadin offers the opportunity to lay ducts for a future fibre-optic network at a relatively low cost. This state-of-the-art infrastructure will enable the Unterengadin to introduce broadband Internet and prepare for the digital age. Around



85% of all buildings between La Punt and Samnaun will be linked to a fibre-optic network over the next ten to 15 years. This forms the basis of the mia Engiadina project, whose goal is to use digitisation to promote economic development in the valley and reposition the region. The "new worlds of work" has been a focus of the project from the beginning, as mia Engiadina seeks to offer an ideal environment for digital nomads and organisations seeking relaxation and inspiration. New "Mountain Hubs", for example, offer co-working, meetings and workshops near the tree line. The first hub opened in Scuol in August 2016. Partner companies can use a virtual marketplace to post information on products and services, while a concierge service helps users book accommodation and

ing start-ups here and networking them with local SMSs in order to spearhead new innovative projects. 29

Dr. Marianne Janik, CEO of Microsoft Switzerland tickets for events – and also reserve carsharing vehicles.

The innovative character of mia Engiadina has met with a broad positive response. The project is being supported in the canton of Grisons and beyond by more than 40 partners, including local communities, SMEs such as hotels, cableway operators, retailers and commercial enterprises, and several associations. The Federal Government provided NRP funds for the concept phase and the project's sustainability goals have been registered with the UN. Mia Engiadina has also gained additional momentum after receiving the SUISSE-DIGITAL innovation prize in 2015 and an award from the Swiss Association for Quality and Management in 2016. www.miaengiadina.ch





Interview

Dr. Marianne Janik (left), CEO of Microsoft Switzerland, and Martina Hänzi, Managing Director of Engadin Booking, Scuol

Why is Microsoft Switzerland investing in a project in a remote region like the Engadin?

(m) Mia Engiadina is a great example that shows what digitisation can achieve for our society. Still, the technology is only an enabler—it's more important that people understand the type of opportunities it offers. We're impressed by how people in the valley are taking their future into their own hands and actively shaping the transformation. That's why it's important to us to support this project.

How does mia Engiadina promote innovation?

Innovation is increasingly occurring outside the office and the 9-to-5 working day. The project offers unplanned meetings in an informal co-working atmosphere as well as an exchange of information with colleagues and in this manner generates new ideas. Sometimes we have planned meetings during the Microsoft start-up weeks, and we also do the traditional company retreats, of course.

How is demand developing in the Mountain Hub?

We have several individual users every day and there are weekly events, such as retreats for companies, universities and organisations from all over Switzerland. We also have general meetings and school outings. All of these people visit local restaurants and also go on tours and stay in hotels in the area.

The project covers many issues, such as new worlds of work, e-health, education, tourism and an innovation centre. How do you communicate information about the project?

easy to communicate, as they often aren't physically visible. We're working on implementation measures that facilitate communication. The short-term goal is to get more visitors to come to the valley; over the long term, we're hoping to get new SMEs to settle here.

What are the most important factors of success?

- The local population is very involved because people here realise that the project offers major potential.
- Mia Engiadina also networks many specialists from different areas and that makes us all faster and more innovative.





The Mountain Hub

is situated in a central



Results

- ➤ Fibre-optic connection for all villages between La Punt and Samnaun by approx. 2030
- ➤ Mountain Hubs serving as effective co-working spaces throughout the Engadin
- ➤ Programmes and packages can be booked by "knowledge workers", companies and organisations
- ➤ Construction of an innovation centre

Exemplary

New work models are being developed in cooperation with IT companies. These models will generate momentum for the tourism and service industries and commercial enterprises.



Textilland Ostschweiz

Tradition creates identification

- SG, AI, AR, TG
- Since 2010
- S NRP contribution (Federal Government and canton): CHF 250 000 Total budget: CHF 1.25 million

St. Gallen is well known around the world as a centre of the textile industry – major designers such as Chanel, Christian Dior, Giorgio Armani and others process embroideries made in St. Gallen. Eastern Switzerland is a "textile country" with a broad and successful textile tradition stretching back more than 500 years. Numerous textile companies from Eastern Switzerland are still worldwide leaders in the industry today. The Textilland Ostschweiz project has created a successful platform that is transporting the rich textile heritage of the region into the future. Together with partners from the tourism and hotel industries, the Textilland Ostschweiz association offers an extensive range of programmes that highlight the expertise and legacy of the textile industry. Textilland Ostschweiz is sponsored by the local textile industry, but its impact





Hotels in Eastern Switzerland pay tribute to the history of the textile industry in the region, among other ways with rooms decorated by well-known textile companies.

Results

- ➤ Textilland rooms in leading hotels in Eastern Switzerland
- ➤ "Textile walking paths" through St. Gallen
- ➤ Guided tours, excursions, explorer tours
- **➤** Textile workshops
- ➤ Zeitzeugen ("Contemporary Witnesses") video collection and Textilien heute ("Textiles Today") textbook for upper secondary schools

Exemplary

Inter-cantonal, businessoriented project that focuses on promoting an important economic sector.

extends beyond the region. The programmes highlighting the textile industry are managed centrally and are part of the annual packages offered by the tourist destinations in the region. The successful implementation of the project was made possible by close cooperation between textile companies, tourism industry stakeholders, the public sector and other partners. The work of volunteers and the utilisation of the networks operated by the project initiators and association members were also indispensable to the project's success. The project organisers are thinking about establishing a joint regional marketing pool supported by service level agreements in order to help further develop Textilland Ostschweiz and the associated products.

Employee Sharing

Summer at the lake, winter in the snow

- Grisons and Ticino
- 2016-2018
- S NRP contribution (Federal Government and canton): CHF 522 000 Total budget: CHF 1 million

A particularly large number of employees in the hotel and restaurant industry in Ticino receive unemployment benefits between late autumn and the spring. The same holds true in the autumn and spring in Grisons. At the same time, the seasonal hotel and restaurant industry suffers from a shortage of skilled employees in those same tourism regions. It therefore makes sense to create attractive job clusters out of indivdual summer and winter employment positions. In 2016, hotels and restaurants in summer and winter holiday destinations in Switzerland joined forces and began offering industry employees the opportunity to work the whole year round This new model ensures a secure income for workers for the whole year and offers them new career and development opportunities. The pilot project also has a positive social impact: According to the Chur University of Applied Sciences,



A total of 23 hotel and restaurant companies with more than 50 locations in Grisons and Ticino, as well as the Chur University of Applied Sciences and the chapters of the hotelleriesuisse industry association in the above-mentioned cantons are participating in the Employee Sharing project (as of April 2017).

Goals

- To retain more good employees, especially skilled workers
- To reduce recruiting costs and fluctuation rates
- To safeguard competitive advantages on the labour market
- To improve quality by reducing the loss of know-how and increasing employee motivation
- To support the development of young workers in the industry
- To reduce the cantons' expenditure on unemployment benefits

Exemplary

Hotels and restaurants have launched a joint project for recruiting workers and skilled employees.

the model has the potential to save around CHF 11 million in unemployment benefits per year in Grisons, and CHF 20 million in Ticino. Companies expect to benefit as well, since the model makes it easier for them to hold on to good employees. Businesses also hope they will be able to attract new employees who were previously put off by the seasonal nature of positions in the industry. Better and more motivated employees improve quality, which leads to better value for money in the relatively expensive holiday regions in Switzerland. The Employee Sharing concept was inspired by the sharing economy. More specifically, digital platforms now enable cooperation between a larger number of people and organisations. The pilot project is exploiting this potential by developing an Internet platform that matches up jobs and skilled employees and also automates and simplifies the pooling of summer and winter positions. After the pilot phase, the Employee Sharing project will be opened up to other businesses and regions.

www.enjoy-summer-winter.ch

When 1 + 1 equals more than 2

This NRP area involves a support objective that seeks to align regional policy with other federal policies related to spatial development. The goal here is to spatially and functionally coordinate funds and measures and to exploit synergies.

One aspect, for example, involves coordinating funding for hotels by the Swiss Society for Hotel Credit (SGH) with the financial support for wellness or sports facilities provided by the NRP, as such facilities are often located in or near hotels. The same applies to funding for innovation from the CTI/Innosuisse. Ideally, the interplay between sectoral policies should result in the creation of added value (1+1 > 2).

Improving both cities and rural areas

If the Federal Government is going to strengthen the competitiveness of the regions, then the regional centres will have to play an important role as economic motors. Conversely, the Federal Government can create incentives for mountain and other rural areas to utilise the momentum generated in the regional centres. The Federal Government can influence developments through its agglomeration policy and its policy for mountain regions and other rural areas. Both of these actually combine a range of different sectoral policies.

Thinking in terms of functional spaces

If Switzerland is to develop further in a spatially coherent manner, policies related to spatial development must be effectively coordinated. More specifically, sectoral policies must be aligned, synergies must be identified, and action must be more oriented towards functional spaces and the specific strengths of the spaces in question must be exploited. All of this is designed to help achieve the goals of the Spatial Strategy for Switzerland programme. These goals were agreed upon by the Federal Government, the cantons, the cities and the municipalities in 2012. The NRP makes an important contribution here, two examples being the Regional Innovation Systems (RIS) and the Model Projects for Sustainable Spatial Development.

9 RIS innovation systems

32

33 Model projects

Even "low-potential" areas offer potential

A region is considered "low-potential" if it has been negatively affected by an ageing and declining population, negative financial figures and a reduction in public infrastructure and services. The NRP can implement special measures for such areas. For example, during the multi-year period of 2008-2015, the Federal Government worked with several cantons to develop ideas and strategies for "low-potential" areas. Since 2008, support has focused on the Gotthard region in particular.

Requirements associated with sustainable development are taken into consideration

The Federal Government implements the NRP in line with the principles of economic, social and ecological sustainability.

Model projects

Learning by doing

- Switzerland-wide
- 2014-2018
- NRP contribution: CHF 900 000 Total budget (Federal Government): CHF 3.7 million

The Federal Government is moving ahead with sustainable spatial development by promoting new methods and procedures in the "Model Projects for Sustainable Spatial Development" programme. Eight federal offices (ARE, SECO, FOEN, FOAG, FOH, FOPH, FEDRA, FOSPO) are jointly supporting projects managed by local, regional and municipal stakeholders. The programme creates an incentive to identify and test innovative ideas at the interface between several sectoral policies. It also promotes the use of synergies – e.g. through cooperation across administrative boundaries. The model projects are treated as laboratories that enable new methods, approaches and procedures to be tested. They also have an exemplary character, as the knowledge thus gained is shared and the project sponsors meet regularly to network. www.modellvorhaben.ch

Projects in five areas

A total of 31 projects are receiving some CHF 3.7 million in funding between 2014 and 2018

Promoting economic development in functional

spaces. Six projects are optimising regional economic conditions across several municipalities. They are examining the relationships between urban centres and surrounding rural areas, identifying obstacles to economic development and improving coordination between regional stakeholders.

Settlement development.

The seven projects here address building zones, the consolidation of industrial and commercial zones and the revitalisation of town centres.

investors and local communities

tial here. All parties should have

aware of the economic poten-

Sustainable use of natural resources. Four projects are addressing issues related to biodiversity, biomass, water, and conflicts between agricultural considerations and spatial development.

Promoting the development of open spaces in conurbations.

Nine projects address the various functional uses for open spaces in residential and recreational areas. These spaces can be used for relaxation, sport and the enjoyment of nature and the countryside, as well as for slow traffic areas.

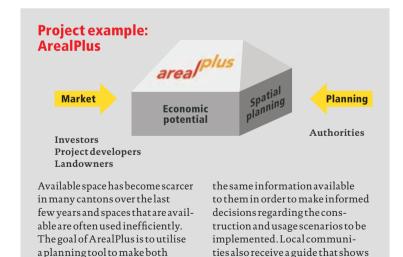
Development of sufficient, needs-based housing. Five projects address the issues of affordable housing, the alignment of real estate development with new demographic conditions and the challenges faced by tourism regions.

the short and long-term effects

development plans.

and economic impact of specific

33



Agenda 2030 for Grisons

Using regional strategies to jump-start the economy

- Canton of Grisons
- 2014-2015
- S NRP contribution (Federal Government and canton): CHF 145 000

Limited resources, more intense competition between locations and relatively little agreement on how a region should develop in a regional context, this situation leads to the well-known phenomenon of a "silo mentality". Regions in the Canton of Grisons faced such a situation in the recent past, and this led to the implementation of the Agenda 2030 GR initiative with seven regional location-development strategies. The Federal Government supported the initiative as a pilot project.

Agenda 2030 GR is meant to increase the regional focus on strategy in order to ensure that all regions pursue the same objectives as they implement projects designed to increase value creation and improve competitiveness. Municipal governments and other decision-making bodies addressed the long-term development of their regions and were supported here by cantonal representatives and other specialists.

66 The regions need

to concentrate on relevant and feasible projects. This in turn requires a solution-oriented approach to conflicts and an effective strategic focus. The most important question is 'what do we want?' rather than 'why can't we do this?'. >>

Eugen Arpagaus, Director of the Business and Tourism Office of the Canton of Grisons

The initiative resulted in the creation of Regional Location Development Strategies (RLDS) for each of seven defined economic zones in Grisons. The strategies are aligned with spatial development policies and are based on the same economic motors that the Grisons NRP implementation programme focuses on. The main idea here is to exploit existing regional strengths. With regard to the northern Grisons region, for example, this

Nordbünden

Viamala/Albula

means: "Creating spaces and innovation for industry", try", "Strengthening the serthe Rhine Valley as a Residential Location".

Maloja Bernina

Benefits

The broad-based RLDS and their associated measures were approved by the local councils, which gives the RLDS a certain binding character. This allows important projects to be implemented more rapidly, and also funded if necessary.

"Networking the tourism indusvice sector" and "Safeguarding

Outlook

Engiadina Bassa

Val Müstair

The increasing entrenchment of Agenda 2030 GR in the regions has now become noticeable. The Agenda is expected to have an impact on two levels: First, the regions will focus more strongly on their strategic orientation. Secondly, more projects in conformance with the principles of the NRP will be developed. The RLDS are currently being aligned with the development of tourism destinations within the framework of a rolling plan. Even as the strategy process becomes more sophisticated in the regions and implementation ideas are developed, initial coordinated projects are now being created – in order to generate value from natural surroundings and regional culture and cuisine, for example.

economic zones

Factors of success

The ability of regional stakeholders to resolve conflicts and focus on strategy is being supported.

The regions are addressing their future and have come to understand that measures must be prioritised and roles need to be clearly defined.

Agenda 2030 GR is not a wish list: instead it is meant to illustrate in the most realistic manner possible what the region can achieve.

It will take some time for the strategy development process to be put into practice with full force. It is therefore important to define in advance the roles each party will play in the implementation of the process.

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Creating and sharing knowledge

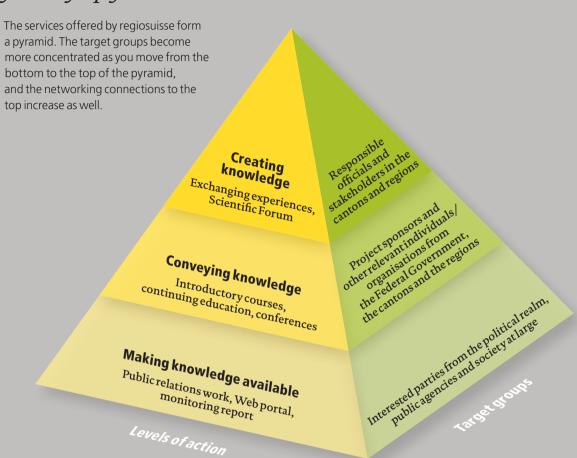
With the "regiosuisse" network unit, the Federal Government is supporting the practical work performed by individuals involved in regional development activities. regiosuisse enables the creation and sharing of knowledge and also builds networks among various stakeholders. Its knowledge system contains all relevant information on the NRP and cross-border cooperation. In 2016, the range of topics covered by regiosuisse was expanded to include coherent spatial development and thus the agglomeration policy and the policy for mountain regions and other rural areas.





Practitioners who attend the "formation-regiosuisse conference" and other events learn from one another and obtain new knowledge.

Knowledge system in the form of a pyramid



regiosuisse.ch Web portal as a source of inspiration

regiosuisse.ch makes it easy to access information on regional and spatial development. Integrated project databases provide ideas for new projects, support networking and make the NRP more understandable to society at large.

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Continuing education events that focus on current regional development topics

regiosuisse also offers continuing education events such as the regiosuisse conference, which takes place every other year, as well as periodic introductory courses and more intensive courses on specialist topics. The network also organises excursions.

Practitioners learn from one another

Knowledge communities that are initiated and managed by regiosuisse allow regional stakeholders to exchange practical knowledge, experiences and strategies and create new knowledge.

Network for research, policymaking and practical applications

regiosuisse also stages a Scientific Forum in alternate years to the regiosuisse conference. The forum facilitates the incorporation of research results into policymaking processes and practical applications.



www.regiosuisse.ch

The point of view of the cantons

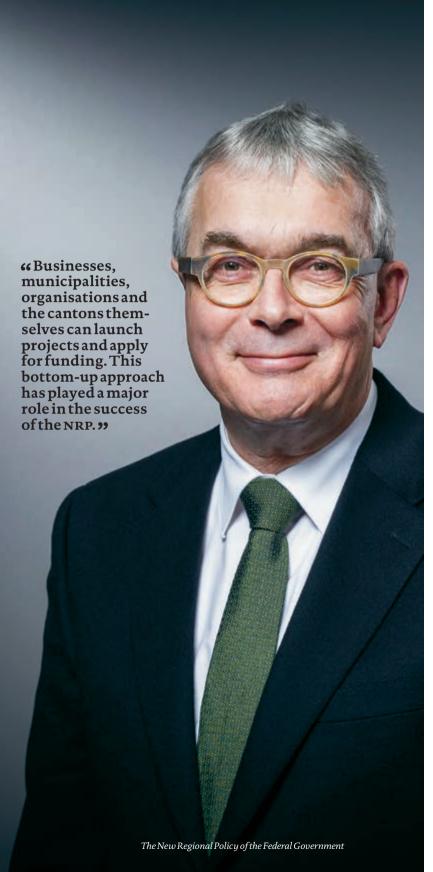
Interview with Christoph Brutschin. President of the Conference of Cantonal Direc $tors\, of Economic$ Affairs (VDK)

Christoph Brutschin

is a Cantonal Councillor in Basel-Stadt and has been President of the VDK since 2016.

The Conference of Cantonal Directors of Economic Affairs (VDK) was established in 1947 with the goal of promoting an exchange of information and cooperation on economic issues between the Federal Government and the cantons, and between the cantons themselves. The conference may adopt its own resolutions, which helps ensure a common and effective response to federal proposals. The VDK is involved in various working groups and commissions and represents the interests of the cantons. It also serves as a contact for the Federal Government, the media and other interested parties.

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Mr. Brutschin, the implementation of the New Regional Policy (NRP) in 2008 resulted in a significant paradigm shift away from redistribution measures and towards a stronger focus on entrepreneurship, innovation and value creation. Has this change proved to be effective?

The NRP, which has been focusing since 2008 on innovative developments in the cantons, as well as regional and inter-cantonal coordination, is now firmly established. The new philosophy has been understood and put into action in the regions and cantons. The cantons play a key role in the success of the NRP. They define cantonal and inter-cantonal implementation goals, which serve as a guide for businesses, municipalities, organisations and the cantons themselves when they launch projects and apply for funding. This bottom-up approach has played a major role in the success of the NRP. Some 1800 projects with a significant leverage effect were funded in the period between 2008 and 2015.

Does the Federal Government still need to pursue a special assistance policy for mountain and other rural areas and border regions?

The need still exists, not least due to the challenging economic situation at the moment. Article 103 of the Federal Constitution gives the Federal Government the right to implement structural policies. The government can therefore support regions that

have economic problems and also promote specific economic sectors. This is important, not only economically but also from a political perspective. In addition, crossborder cooperation requires the involvement of the Federal Government. However, I do believe that we need to change the way we communicate about the success of the NRP and the possibilities it offers. There's also not enough communication about the NRP's long-term impact.

What in your opinion are the biggest economic challenges currently faced by the regions targeted by the NRP?

The rural and mountain areas have been struggling with slow growth and a population outflow for a relatively long time. Additional factors are also now playing a role – for example the discontinuation of the exchange rate floor for the euro and the approval of the Second Home Initiative, both of which are having a negative impact on prosperity in mountain regions especially. Although border regions enjoy major opportunities, the economic stakeholders there also face extraordinary challenges. The strong franc and the resulting shopping tourism are putting pressure on local businesses and the export industry in border regions and have led to a sharp diversion of purchasing power, among other things.

Does the NRP have solutions to deal with these situations?

Yes, most certainly. First of all, the system of equivalent financing by the Federal Government and the cantons ensures that no unnecessary projects receive funding and that the cantons can address their specific strengths and weaknesses. I agree with the

idea of the NRP as a joint undertaking: The Federal Government defines the overriding strategy with the cantons and ensures the exchange of knowledge and information. The cantons formulate tailored strategies and

"The system of equivalent financing by the Federal Government and the cantons ensures that no unnecessary projects receive funding and that the cantons can address their specific strengths and weaknesses."

are responsible for approving the projects. I also believe that in particular the system of incentives for regional cooperation represents a very promising approach. Economic development and innovation do not stop at national borders, and certainly not at cantonal borders. The NRP has led to extremely successful cross-border and inter-cantonal cooperation over the last few years. Consider the cantons of Basel-Stadt, Basel-Landschaft and Jura, for example: This year we implemented a jointly developed strategy that lays the groundwork for improving the economic situation in an international region with two languages and three countries.

Why should a canton like Basel-Stadt, which has a prosperous multinational pharmaceutical and life science industry, support a government innovation-funding programme?

The Basel-Jura region is a Swiss economic centre that stands out through its dynamic economic development. However, in terms of overall economic prosperity, the region is actually very heterogeneous and it also faces the structural challenges associated with a border region. The NRP is therefore very important to this region, especially in terms of the possibilities it offers for cooperation across cantonal and national borders. Our intention here is to transfer the dynamic economic development of prosperous regions to rural areas as well over the medium and long term. In fact, one of the main goals of the Regional Innovation System for North-

western Switzerland is to generate benefits for rural areas.

"The NRP has led to extremely successful cross-border and inter-cantonal cooperation."

in must not only be physically attractive but also economically dynamic. >>

Federal Councillor Johann N. Schneider-Ammann, Head of the Federal Department of Economic Affairs, Education and Research (EAER)

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Maps

Elevation data DHM25: © swisstopo

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